Received: 12/20/2002 Status: CANCELLED Effective Date: 01/01/2003

..DID: 21189

..TXT: PSC NO: 218 GAS STATEMENT TYPE: RDS

COMPANY: NIAGARA MOHAWK POWER CORPORATION STATEMENT NO: 3

INITIAL EFFECTIVE DATE: 01/01/03

STAMPS:

RECEIVED: 12/20/02 STATUS: Effective EFFECTIVE: 01/01/03

STATEMENT OF RESEARCH AND DEVELOPMENT SURCHARGE Applicable to Billing for Firm Sales and Firm Transportation Service Classification Nos. 1, 2, 3, 5, 7, & 8

Per Therm

Pursuant to Rule 30 of Niagara Mohawk Power Corporation*s PSC No. 218, the Research and Development Surcharge shall be:

\$0.000490

Issued By: William F. Edwards, President, Syracuse, New York